

1917-57

AMERICAN STORES COMPANY

AND

SUBSIDIARY COMPANIES

CONSOLIDATED
STATEMENT

DECEMBER 31, 1917

AMERICAN STORES COMPANY

OFFICERS

President, Samuel Robinson

Vice-President, John Eagleson

Vice-President, Robert H. Crawford

Vice-President, William M. Crowe

Vice-President, George M. Dunlap, Sr.

Vice-President, George R. Pelouze

Secretary and Assistant Treasurer, E. J. Flanigan

Treasurer, Wm. M. M. Robinson

DIRECTORS

Samuel Robinson, Philadelphia

John Eagleson, Philadelphia

Robert H. Crawford, Philadelphia

Wm. M. Crowe, Philadelphia

George M. Dunlap, Sr., Philadelphia

Charles Counselman, Chicago

Joseph Gilfillan, Philadelphia

Samuel M. Clement, Jr., Philadelphia

James K. Trimble, Philadelphia

F. W. Bacon, Philadelphia

George R. Pelouze, Philadelphia

We have examined the annexed Consolidated Balance Sheet of the American Stores Company as of December 31, 1917, and have obtained all the information and explanations required. In our opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, and the explanations given to us, and as shown by the books of the Company.

BARROW, WADE, GUTHRIE & CO.,

Chartered Accountants.

Philadelphia, Pa.,

July 9, 1918.

ASSETS

CURRENT ASSETS AND INVESTMENTS:

Cash.....		\$1,002,887.70	
Accounts Receivable.....	\$190,172.11		
Less: Reserve for Bad Debts.....	17,915.07	172,257.04	
Notes Receivable.....		476.84	
Inventories:			
Branch Stores.....	1,819,220.67		
Bakeries.....	127,559.46		
Warehouses.....	3,517,132.54		
Miscellaneous.....	29,296.91	5,493,909.58	
Liberty Bonds.....		150,000.00	
Mortgages Receivable.....		653.44	\$6,818.98

PREPAID ASSETS:

Mercantile Licenses.....	34,008.25		
Automobile Licenses.....	3,748.50		
Insurance.....	37,835.81		
Store Rents.....	8,576.74		
Store Dwelling Rents.....	4,814.60		
Railroad Sidings.....	1,580.19		
Discount on Notes Payable.....	13,489.72		
Miscellaneous.....	55.00	124.76	

FIXED ASSETS:

Warehouse and Warehouse Fixtures.....	1,798,641.01		
Warehouse Delivery Fixtures.....	162,304.66		
Warehouse Dwellings.....	58,421.78		
Bakery and Bakery Fixtures.....	905,935.47		
Bakery Delivery Fixtures.....	64,390.30		
Branch Store Fixtures.....	1,120,472.46		
Office Fixtures.....	31,644.43		
Superintendent's Automobiles.....	10,066.09		
Stables, Garages and Fixtures.....	218,479.96	4,370.35	

SUNDRY ASSETS:

Goodwill.....	11,375,000.00		
Less: Special Surplus arising from acquisition of Acme Tea Co. Stock under Par.....	\$1,565,493.98	9,809,506.02	
Organization Expenses.....	65,179.24		
Closed Store Account.....	110,709.34	9,985.39	
			\$21,299.50

ES COMPANY

COMPANIES

BALANCE SHEET

DECEMBER 31, 1917

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable.....	\$1,924,135.43	
Notes Payable.....	1,400,000.00	
Wages Payable—Accrued.....	94,202.28	
Administration Expense—Accrued.....	13,500.00	
Income Tax Deduction.....	291.67	
Federal and State Taxes—Accrued.....	37,792.82	
Liberty Bond Subscription.....	60,000.00	\$2,829,922.20

RESERVES:

Reserve for Income, War and Excess Profit Taxes.....	547,310.92	
Reserve for Redemption 1st Pref. Stock of Acme Tea Co.....	86,041.67	
Trading Stamp Account.....	12,586.86	
Emergency Fund—Crown Stamp Co.....	1,290.00	647,229.45

OUTSIDE STOCKHOLDERS' INTEREST IN CONTROLLED COMPANIES:

Acme Tea Co.—1st Preferred Stock.....	\$2,300,000.00	
Acme Tea Co.—2d Preferred Stock.....	500,000.00	
Accrued Dividend and Sinking Fund.....	19,890.41	2,819,890.41
Acme Tea Co.—Common Stock.....	126,000.00	
Share of Surplus.....	30,881.28	156,881.28
Crown Stamp Co. Stock held by Outsiders.....	10.00	2,976,781.69

CAPITAL AND SURPLUS:

<i>Capital:</i>		
1st Preferred Stock Authorized.....	7,000,000.00	
Less: Unissued.....	4,000,000.00	
Issued and Outstanding.....		3,000,000.00
2d Preferred Stock Authorized.....	2,000,000.00	
Less: Unissued.....	500,000.00	
Issued and Outstanding.....		1,500,000.00
Common Stock Authorized—150,000 shares		
Less: Unissued 7,760 “		
Issued and Outstanding... 142,240 “ No Par.....		8,974,150.00
		13,474,150.00
Surplus.....		1,371,420.83
		14,845,570.83
		<u>\$21,299,504.17</u>

AMERICAN STORES COMPANY

AND

SUBSIDIARY COMPANIES

STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 1917

Gross Sales.....		\$58,123,807.28
Cost of Goods Sold.....		<u>49,067,507.80</u>
Gross Profit on Sales.....		\$9,056,299.48
STORE OPERATING EXPENSE:		
Wages and Commissions.....	\$3,311,097.05	
Rents.....	564,896.45	
Freight and Expressage.....	263,576.83	
Depreciation.....	169,258.69	
Advertising.....	9,686.58	
Sundry Expense.....	<u>489,044.24</u>	
Total.....	4,807,559.84	
Warehouse, Administration and Office Expense.....	<u>2,041,022.79</u>	
Total Operating and Administration Expense.....		<u>6,848,582.63</u>
NET STORES PROFIT.....		2,207,716.85
OTHER INCOME:		
Property Accounts.....	\$5,376.28	
Interest and Discount.....	6,606.26	
Miscellaneous.....	<u>17.46</u>	12,000.00
		<u>2,219,716.85</u>
MISCELLANEOUS DEDUCTIONS:		
Interest and Discount.....	\$34,412.00	
Lease Account.....	23,736.09	
Sundries.....	<u>11,244.71</u>	69,392.80
NET PROFIT.....		2,150,324.05
DEDUCTIONS FROM NET PROFIT:		
Reserve for Income, War Taxes, etc.....		<u>652,053.48</u>
Balance Available for Dividends and Sinking Fund.....		1,498,270.57
Deduct: Preferred Dividends and Sinking Fund.....		<u>415,215.79</u>
SURPLUS.....		<u><u>\$1,083,054.78</u></u>